

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0700-02
Bill No.: HB 324
Subject: Counties; Roads and Highways; Taxation and Revenue - General
Type: Original
Date: January 16, 2015

Bill Summary: This proposal authorizes counties of the third classification to collect a tax on specified property to pay for road rock on county roads.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the Secretary of State** and the **State Tax Commission** each assume no fiscal impact to their respective agencies from this proposal.

In response to similar legislation from 2014 (HB 1199), officials at **Shelby County** assumed this proposal would authorize the County Commission to charge up to \$1.00 per acre of tax on land in Shelby County per year for road rock. This amount could generate up to \$300,000 per year in revenue depending on where the Commission set the rate of collection. The cost of rock has doubled in the last 7 years and, over the same period, our revenue has gone up very little. We have cut our rock application down from 125 tons per mile per year to 70 tons per mile per year over the last 5 years. Officials at Shelby County also assume a cost between \$5,000 and \$10,000 to hold an election on this proposal.

Oversight assumes this proposal is discretionary and would have no local fiscal impact without action from the governing body. Oversight assumes the election would be at a regularly scheduled election and no special election would be needed.

Officials at the following counties: Andrew, Atchison, Audrain, Barry, Bollinger, Cooper, Dent, Holt, Knox, Laclede, Lawrence, Marion, McDonald, Miller, Moniteau, Monroe, Montgomery, New Madrid, Ozark, Perry, Phelps, Pulaski, Scott, Shelby, Warren, Wayne and Worth did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

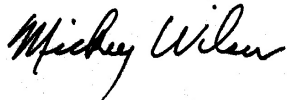
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Secretary of State
State Tax Commission

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
January 16, 2015

Ross Strobe
Assistant Director
January 16, 2015